

PHILADELPHIA MULTIFAMILY HOUSING HUB NEWS



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www.hud.gov/local/shared/working/r3/mfhsg.cfm?state=pa

Inside this issue:

- Pension Plans... Pg. 1
- HUD Kiosks... Pg. 1
- FHA Endorsements...Pg. 1
- Verification System...Pg. 2
- Lighting Technology...Pg. 2
- Lawn Services...Pg. 2
- Repair Grant...Pg. 2
- HUD Programs...Pg. 3
- Low Income Database...Pg. 3
- Senior Scams...Pg. 3
- Closings...Pg. 3
- Penns Grove, NJ...Pg. 4
- Assisted Living...Pg. 4
- MAP Guide Revision...Pg. 4



Pensions Plans

In an effort to assist project owners and management agents in the hiring of more professional and knowledgeable employees, several changes were made in HUD's policies regarding the retirement accounts for front-line project staff.



A revision has been made to HB 4381.5 REV-2, Chapter 6.38(2)(c) "Retirement Accounts for Front-Line Staff." The specific changes are reflected in HUD Notice H 05-08, dated February 25, 2005.

These changes also resolve conflicts with the Employee Retirement Security Act. They are as follows:

*The projected cost of employers' contributions to be paid out of project funds has increased from 5% to 10% of the base pay for eligible employees.

*The number of hours an employee must work to be considered full-time has decreased from 30 hours per week to 20 hours per week (1,000 hours per year).

*Only permanent, front-line employees who work full-time at the project (i.e., more than 20 hours per week) may participate. Temporary or part-time employees are not eligible. Also, rotating employees working at more than one project are not eligible unless they qualify as full-time at one project.

*The retirement plan must be a qualified plan approved by federal, state, and local laws; there can be

no commingling of employee accounts and they must be 100% vested in 5 years.

A copy of Notice H 05-08 can be obtained from HUD's library at: www.hudclips.org.

HUD Kiosks

HUD is partnering with EPA, Labor, Education, and IRS to expand the content of its web-based kiosks, located in public places all over the country. Through a 5-box touch-screen, the kiosk provides the following information: *HUD*- buying a home, rental help, help for homelessness, and fair housing rights; *Labor*- workplace savings plans, health coverage, changing jobs, getting married, having a child, and retirement savings; *Education*- free tutoring under No Child Left Behind, free publications about your child's education, and student financial aid; *EPA*- free information on pest control and pesticide safety, prevent pests in your home, and prevent pesticide and household chemical poisoning; and *IRS*- Earned Income Tax Credit, eligibility for EITC, requirements to claim EITC, and EITC vs. Child Tax Credit.



For information or questions about the kiosks contact: (202) 708-1547.

FHA Endorsements

National statistics are available on FHA commitments issued through March 31 at the following website: www.hud.gov/offices/hsg/mfh/mfdata.cfm.

Reports are available by states, Hubs, lenders, low income housing tax credits, and facility mix.

Tenant Eligibility Verification System

The Tenant Eligibility Verification System (TEVS) has moved to REAC and has become the Tenant Assessment (tenant income verification- computer matching) Subsystem (TASS).

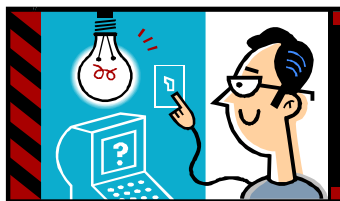


In 1999 the responsibilities for computer matching and related income verification activities for rental assistance programs were transferred to the Real Estate Assessment Center (REAC). REAC's Tenant Income Verification Team maintains and operates the tenant income verification process that is used to provide the Social Security Administration's social security and supplemental security income data to public housing agencies, owners and management agents. This was previously provided through TEVS.

The tenant income verification process can be used to implement a large-scale computer matching to identify differences between tenant Federal tax information and tenant-reported and verified income to a public housing agency, owner or management agent. This process, matching of calendar year tenant income data provided by Federal agencies with comparable tenant data, is maintained by HUD's Public Housing Information Center and the Tenant Rental Assistance Certification System databases.

New Lighting Technology

There is a new lighting product on the market that provides the same amount of light as standard incandescent bulbs but provides substantial utility savings to the user.



The new product is a spiral-shaped bulb that uses phosphors in argon-filled tubes. A unique feature of these bulbs is the phosphors- powdery elements that glow within their argon-filled bulbs to create warmer hues similar to incandescent bulbs. These bulbs are Energy Star-qualified and use lower wattage than conventional bulbs while providing the same brightness (e.g., 800 lumens for an equivalent 60-watt incandescent bulb). It is estimated that by replacing five lights with this product, a savings of \$60 per year could be achieved.

Lawn Services

It is important not to cut corners when looking for a lawn service. The first thing to decide is how much maintenance your grounds require. This is closely tied to how "perfect" a lawn you expect. A good way to locate a lawn service is to find out the names of services that maintain the grounds of other properties than you admire. After you decide on a service, set up an appointment to discuss your needs and the company that can best meet them. In conducting your meeting with company representatives, be sure to ask the following questions: 1. Do they offer a reduced fertilizer or pesticide-free program as an alternative? 2. Do they recognize that all lawns are not the same and have different requirements based on sun and shade conditions, soil texture, and types of grass? 3. Do they perform a soil test for PH and nutrient levels? 4. Do they practice integrated pest management? 5. Do they offer a guarantee? 6. Are they state-licensed/registered applicators of pesticides? 7. Do they provide a written notice or copy of the proposed date of application, the brand name of the pesticides, the common chemical name of the active ingredients, and the label instructions relating to consumer or public safety, and a consumer notification sheet? 8. Do they provide evidence of professional affiliations, length of time in business, and customer references.



If you do your homework, you will find the lawn service that is right for your project.

Emergency Capital Repair Grant

The Philadelphia Hub's first emergency capital repair grant was awarded to Sheptysky Arms, a 50-unit, Section 202 project located in Pittsburgh, PA.

A total of \$244,098 was awarded to repair and replace all four exterior walls of the project.



Congratulations!

Programs of HUD

HUD has just released Programs of HUD 2005: Major Mortgage, Grant, Assistance, and Regulatory Programs, which presents a concise overview of the Department's programs. These programs are the means by which the Department offers families and individuals opportunities to achieve self-sufficiency, supports communities nationwide as they generate renewal, and strives to ensure equal housing opportunity to all Americans regardless of race, color, religion, sex, national origin, age, disability, or familial status.



The publication lists detailed information for programs in the following areas:

- * Multifamily Housing Programs (17 programs)
- * Housing/Federal Housing Administration (1 program)
- * Fair Housing and Equal Opportunity (7 programs)
- * Policy Development and Research (4 programs)
- * Government National Mortgage Association (Ginnie Mae) (4 programs)
- * Healthy Homes and Lead Hazard Control (1 program)
- * Regulatory Affairs and Manufactured Housing (3 programs)
- * Public and Indian Housing (16 programs)
- * Community Planning and Development (22 programs)
- * Single Family Housing Programs (17 programs)
- * Other Resources (2 programs)

For each program, the publication describes the nature of the program, applicant, or grantee eligibility requirements, legal authority, contact information for the administering office, and information sources, including a link to the World Wide Web.

The report also provides a list of inactive HUD programs, key HUD statutes, programs frequently identified by statutory title or section number, and the HUD regional and field offices.

Programs of HUD 2005: Major Mortgage, Grant, Assistance, and Regulatory Programs is available as a free download from HUD USER at: www.huduser.org/whatsnew/ProgramsHUD05.pdf.

Low-Income Housing Database

The Low-Income Housing Tax Credit (LIHTC) database, created by HUD and available to the public since 1994, has been updated and now contains information on nearly 22,000 projects and more than 1,141,000 housing units placed in service between 1987 and 2002. The LIHTC is the most important resource for creating affordable housing in the United States today. The revised national database provides a comprehensive project-level look at LIHTC production.



The database includes project address, number of units and low-income units, number of bedrooms, year the credit was allocated, year the project was placed in service, whether the project was new construction or rehab, type of credit provided, and other sources of project financing. The database has been geocoded, enabling researchers to look at the geographical distribution and neighborhood characteristics of tax credit projects. It may also illustrate how incentives to locate projects in low-income areas and other underserved markets are working.

Data is available through the LIHTC Database Access web site at: <http://lihtc.huduser.org/>.

Stop Senior Scams

The Philadelphia Coalition for the Aging is sponsoring a service to help seniors recognize scams and learn what can be done to protect themselves. Seniors are advised to visit www.stopseniorscams.org, a web site that provides information on scams and schemes.

Closings



The following closings occurred in the month of May: *Insured-* Had-dington Townhouses (PA), Grand Residence of USC (PA), Brandywine (DE), and Montani Towers (WV); and *Section 202/811 Initials-* Gruber Mills (PA), Livingston Manor (PA), Popular Place (PA), Oak Haven Apts. (PA), and Rising Dove Senior Apts. (NJ).

Reuilding Penns Grove, NJ

Penns Grove, a small town on the Delaware River in Salem County New Jersey, is about to embark on a \$65 million rehabilitation project. Called the Riverwalk Project, the rebuilding plan of developer George Kearns envisions the construction of 38 shops on a 26-acre site- 12 of which will jut into the water and include an island and a pier. Among the businesses will be a microbrewery, a 1920's-style restaurant in an abandoned bank building, a blown-glass shop, and a 58-unit hotel. The project is expected to be completed by the summer of 2006.

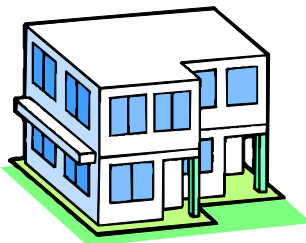


One controversial component of the plan is the construction of a floating casino, with video lottery terminals, anchored off the end of a rebuilt pier. If approved, the casino would be constructed by Hannalily LLC.

If the rebirth of this town is successful, it will be a remarkable achievement. Since the construction of the nearby Delaware Memorial Bridge and the loss of the town's ferry service in 1951, Penns Grove has had a high unemployment rate- currently 13%- and is listed among the ten most distressed municipalities in New Jersey.

The project has been backed by Assemblyman Kenneth Gewertz and has the support of local officials and Salem County's five freeholders.

Choosing an Assisted Living Facility



Senior living or "assisted living" is a great alternative for people living in a house that is either too big or too difficult to maintain. Assisted living facilities may offer many services such as housekeeping, maintenance, 24-hour

security, nursing support, and leisure activities. Residents can maintain their independence and make new friends while not having to worry about such things as snow removal, lawn maintenance, or meal preparation.

In searching for a senior living community, experts advise prospective tenants to ask the following questions:

*How long has the assisted living facility been in operation?

- *How long has its parent company been in business?
- *What does the senior community offer?
- *What services are provided?
- *Is there an entrance fee?
- *Is it profit or not-for-profit?
- *What does the monthly rent include?
- *Are utilities included?
- *Are housekeeping services available?
- *Are maintenance services available?
- *What kind of in-house daily activities are offered?
- *Is there 24-hour security?
- *Is 24-hour nursing staff available on site?
- *Do employees take pride in their work and are they well-trained?
- *Is a social worker available on-site for residents?
- *Are there large walk-in showers in private rooms?
- *Is there storage for seasonal items?
- *Is there a library and recreation room?
- *Is resident parking available?
- *Is transportation available?
- *Is there a formal dining room or café?
- *Are there courtyards and walking areas?
- *Are there common areas for residents?
- *Is shopping and entertainment nearby?
- *Is there an emphasis on spiritual development?

MAP Guide Revisions

The following responses were posted to the Frequently Asked Questions section of HUD's Multifamily Accelerated Processing (MAP) website:



- *The minimum threshold for a Section 222/223(f) project is \$30 per unit, or \$30 per bed, whichever applies (Chapt. 3).
- *HUD does not require an existing project being refinanced under Section 232/223(f) to be brought into full compliance under UFAS new construction requirements. The scope must be determined on a case-by-case basis (Chapt. 5).
- *Builder's Risk Insurance may be taken out either by the contractor or the mortgagor (Chapt. 6).
- *HUD 2530s, Previous Participation Certificates, may now be submitted as early as the pre-application stage of processing. For MAP applications that do not require a pre-application stage, 2530s may be submitted 15 business days prior to the Firm application submission (Chapt. 8).

See www.hud.gov/offices/hsg/mfh/map/maphome.cfm for further details.